

# Performance agreement template

You can use this template to help you make a performance agreement with your employee. Having a performance agreement in place will help your employee understand what you expect from them. It also sets out what support or assistance will be provided to help the employee achieve their goals.

This template has been colour coded to help you complete it. You simply need to replace the red < > writing with what applies to your employee and situation.

Explanatory information is shown in *blue italics* to assist you and should be deleted once you have completed the agreement.

## Suggested steps for developing a performance agreement

For more information on managing employee performance, see our online learning courses at [fairwork.gov.au/learning](https://www.fairwork.gov.au/learning). For information about minimum employment rights and entitlements you can also call the Fair Work Infoline on 13 13 94 or visit [www.fairwork.gov.au](https://www.fairwork.gov.au).

### Step 1: Plan

The first step is to plan by looking at your business goals for the year ahead. Think about how the employee's work performance will help your business reach these goals.

You should consider:

- what tasks the job involves
- what skills and abilities are needed to do the job
- what level of performance is expected.

If you have prepared a job description, you can use this to help you with this step. If you haven't prepared a job description, there is a template available at [www.fairwork.gov.au](https://www.fairwork.gov.au).

### Step 2: Discuss

The next step is to arrange a time to meet with the employee to discuss and set up the performance agreement.

Prepare for the meeting by gathering the information you used in your planning, as well as details of how the employee has been performing so far.

During the meeting, talk with the employee about:

- how they have been performing
- the skills they needs to develop
- their own ideas about learning and development opportunities.

Together with the employee, use the template below to help you write a performance agreement with this information and set a date for review.

### Step 3: Monitor

After you've made the performance agreement, the next step is to monitor the employee's performance and support the employee to meet their goals.

Remember to:

- give regular feedback (both positive and constructive) to the employee
- deal with any underperformance issues as soon as they come up
- support employees to improve performance, by providing training, coaching or mentoring opportunities.

### Step 4: Review

The final step is to review and evaluate the employee's performance at the end of the performance cycle.

Meet with each employee at least every 12 months to assess their performance against the agreed goals. You might also like to do interim evaluations, especially in the employee's first year, where the job's requirements change, or where the employee is having performance problems.

Prior to meeting with your employee, it's a good idea to give your employee the opportunity to reflect on their own performance by completing a self-assessment. Refer to the template below.

After you've completed the review of the current performance cycle, consider whether you need to revise their performance goals or set new ones for the next cycle.

*The Fair Work Ombudsman is committed to providing you with advice that you can rely on.*

*The information contained in this template is general in nature. If you are unsure about how it applies to your situation you can call our Infoline on 13 13 94 or speak with a union, industry association or a workplace relations professional.*

# PERFORMANCE AGREEMENT TEMPLATE

Employee name: *<employee name>*

Employee position and level: *<job title and level>*

Date of agreement: *<date agreement was made>*

Period of agreement: *<insert start date>* to *<insert end date>* *Performance agreements usually apply for a period of 6 to 12 months*

Planned review date: **Interim** *<planned due date for interim review (if required)>* **> Final** *<planned due date for final review >*

## Performance goals

*To be completed with the employee during the initial performance discussion meeting.*

<b>Task / Responsibility</b>	<b>Required outcomes</b>
<p><i>&lt;Task or behaviour required for the job&gt;</i> <i>List the tasks and responsibilities that are relevant to the employee's position.</i> <i>eg. – Monitor email enquiries.</i></p>	<p><i>&lt;Describe what the employee needs to do to achieve the task or responsibility successfully&gt;</i> <i>The required outcomes must be specific, measurable and realistic. In most cases, the required outcomes will be described as a measurement of quality, quantity or timeliness.</i> <i>eg. – All enquiries must be responded to within 2 business days of receipt.</i></p>

## Learning and Development plan

*To be completed with the employee during the initial performance discussion meeting.*

Areas for development	Actions
<p>&lt;Enter details of the skills and behaviors the employee would like to improve. This may be to improve outcomes or to develop new skills for future career goals.&gt;</p> <p><i>For example – Improve customer service skills so that I can handle complex enquiries.</i></p>	<p>&lt;List agreed strategies to achieve the development&gt;</p> <p><i>eg. coaching, on-the-job training, external training</i></p>

### Performance agreement approval

**Employer signature:**

**Employee signature:**

**Print name:**

**Print name:**

**Date:**

**Date:**

## Employee self-assessment

*Employee to complete before the interim and final review meeting.*

How do you think you have performed against each of your performance goals?

<Employee comments>

What areas would you like to develop?

<Employee comments>

Other comments:

<Employee comments>

## Manager's feedback

*Manager to complete after the mid-year and final performance discussions.*

How do you think the employee has performed against each of their performance goals?

<Employer comments>

What areas would you like to see the employee focus on in the future?

<Employer comments>

Other comments:

<Employer comments>

### End of agreement approval

**Employer signature:**

**Employee signature:**

**Print name:**

**Print name:**

**Date:**

**Date:**